

FIRST REGULAR SESSION

HOUSE BILL NO. 845

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES CORNEJO (Sponsor), ENGLISH AND HICKS (Co-sponsors).

2042L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 513.430, RSMo, and to enact in lieu thereof one new section relating to property exempt from attachment.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 513.430, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 513.430, to read as follows:

513.430. 1. The following property shall be exempt from attachment and execution to the extent of any person's interest therein:

(1) Household furnishings, household goods, wearing apparel, appliances, books, animals, crops or musical instruments that are held primarily for personal, family or household use of such person or a dependent of such person, not to exceed three thousand dollars in value in the aggregate;

(2) A wedding ring not to exceed one thousand five hundred dollars in value and other jewelry held primarily for the personal, family or household use of such person or a dependent of such person, not to exceed five hundred dollars in value in the aggregate;

(3) Any other property of any kind, not to exceed in value six hundred dollars in the aggregate;

(4) Any implements or professional books or tools of the trade of such person or the trade of a dependent of such person not to exceed three thousand dollars in value in the aggregate;

(5) Any motor vehicles, not to exceed three thousand dollars in value in the aggregate;

(6) Any mobile home used as the principal residence but not attached to real property in which the debtor has a fee interest, not to exceed five thousand dollars in value;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 (7) Any one or more unmatured life insurance contracts owned by such person, other
19 than a credit life insurance contract;

20 (8) The amount of any accrued dividend or interest under, or loan value of, any one or
21 more unmatured life insurance contracts owned by such person under which the insured is such
22 person or an individual of whom such person is a dependent; provided, however, that if
23 proceedings under Title 11 of the United States Code are commenced by or against such person,
24 the amount exempt in such proceedings shall not exceed in value one hundred fifty thousand
25 dollars in the aggregate less any amount of property of such person transferred by the life
26 insurance company or fraternal benefit society to itself in good faith if such transfer is to pay a
27 premium or to carry out a nonforfeiture insurance option and is required to be so transferred
28 automatically under a life insurance contract with such company or society that was entered into
29 before commencement of such proceedings. No amount of any accrued dividend or interest
30 under, or loan value of, any such life insurance contracts shall be exempt from any claim for
31 child support. Notwithstanding anything to the contrary, no such amount shall be exempt in such
32 proceedings under any such insurance contract which was purchased by such person within one
33 year prior to the commencement of such proceedings;

34 (9) Professionally prescribed health aids for such person or a dependent of such person;

35 (10) Such person's right to receive:

36 (a) A Social Security benefit, unemployment compensation or a public assistance
37 benefit;

38 (b) A veteran's benefit;

39 (c) A disability, illness or unemployment benefit;

40 (d) Alimony, support or separate maintenance, not to exceed seven hundred fifty dollars
41 a month;

42 (e) Any payment under a stock bonus plan, pension plan, disability or death benefit plan,
43 profit-sharing plan, nonpublic retirement plan or any plan described, defined, or established
44 pursuant to section 456.072, the person's right to a participant account in any deferred
45 compensation program offered by the state of Missouri or any of its political subdivisions, or
46 annuity or similar plan or contract on account of illness, disability, death, age or length of
47 service, to the extent reasonably necessary for the support of such person and any dependent of
48 such person unless:

49 a. Such plan or contract was established by or under the auspices of an insider that
50 employed such person at the time such person's rights under such plan or contract arose;

51 b. Such payment is on account of age or length of service; and

52 c. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, 408A
53 or 409 of the Internal Revenue Code of 1986, as amended, (26 U.S.C. 401(a), 403(a), 403(b),
54 408, 408A or 409);

55 except that any such payment to any person shall be subject to attachment or execution pursuant
56 to a qualified domestic relations order, as defined by Section 414(p) of the Internal Revenue
57 Code of 1986, as amended, issued by a court in any proceeding for dissolution of marriage or
58 legal separation or a proceeding for disposition of property following dissolution of marriage by
59 a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to
60 dispose of marital property at the time of the original judgment of dissolution;

61 (f) Any money or assets, payable to a participant or beneficiary from, or any interest of
62 any participant or beneficiary in, a retirement plan or profit-sharing plan that is qualified under
63 Section 401(a), 403(a), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as
64 amended, except as provided in this paragraph. Any plan or arrangement described in this
65 paragraph shall not be exempt from the claim of an alternate payee under a qualified domestic
66 relations order; however, the interest of any and all alternate payees under a qualified domestic
67 relations order shall be exempt from any and all claims of any creditor, other than the state of
68 Missouri through its division of family services. As used in this paragraph, the terms "alternate
69 payee" and "qualified domestic relations order" have the meaning given to them in Section
70 414(p) of the Internal Revenue Code of 1986, as amended. If proceedings under Title 11 of the
71 United States Code are commenced by or against such person, no amount of funds shall be
72 exempt in such proceedings under any such plan, contract, or trust which is fraudulent as defined
73 in subsection 2 of section 428.024 and for the period such person participated within three years
74 prior to the commencement of such proceedings. For the purposes of this section, when the
75 fraudulently conveyed funds are recovered and after, such funds shall be deducted and then
76 treated as though the funds had never been contributed to the plan, contract, or trust;

77 (11) The debtor's right to receive, or property that is traceable to, a payment on account
78 of the wrongful death of an individual of whom the debtor was a dependent, to the extent
79 reasonably necessary for the support of the debtor and any dependent of the debtor;

80 **(12) Any money held by a debtor as a security deposit for property which has been**
81 **rented by another individual. Such money held as a security deposit shall be returned to**
82 **the renter in accordance with subdivision (1) of subsection 2 of section 535.300.**

83 2. Nothing in this section shall be interpreted to exempt from attachment or execution
84 for a valid judicial or administrative order for the payment of child support or maintenance any
85 money or assets, payable to a participant or beneficiary from, or any interest of any participant
86 or beneficiary in, a retirement plan which is qualified pursuant to Section 408A of the Internal
87 Revenue Code of 1986, as amended.